

Trotsky, and Moscow felt angry contempt for the "Capitalist" Powers, "willing to wound and yet afraid to strike."

A deep gulf yawned between Eastern and Western Europe, and it was argued in some quarters that, so long as the hated and irreligious Bolsheviks were in control, it ought never to be bridged. The dislike for the cruelties and fanaticism of the Russian Government was shared to the full by the manual workers of Great Britain, who detested the Third International.

But trade was bad, the nation was sick of war, and it was gradually realized that the Marxist regime had come to stay. A trade delegation under Krassin visited London in 1920, and an Anglo-Russian Trade agreement was signed in 1921, and Russia promised to cease hostile propaganda. At the Genoa Conference in 1922 Mr. Lloyd George made an unsuccessful effort to bring Russia back to the comity of nations.

In February, 1924, the first Labour Government restored the diplomatic relations which had been severed in 1917.

The decision was received without enthusiasm and without loud protest, for we had maintained official relations with Abdul

Hamid and other malefactors in the past. Recognition in no way implies approval, and our example, preceded by Italy, was followed by France. The ensuing attempt to settle the

problem of debts was complicated by Russian counter-claims,

and by the request for a substantial loan. A loan, declared

Rakovsky, the Trade Representative in London who had now

become *Charge d'Affaires*, was the only way to solve the ques-

tion of pre-war debts. A further complication arose from the

virulent attacks by the Russian press, not only against the

British bourgeoisie, but against the Labour Government

which was assumed to be its obedient tool.

The Conference opened in April and the discussions con-

tinued throughout the summer. Both parties desired an agreement, but there was a long agenda and between their respective standpoints there was a yawning gulf. The Russians stood by their principle of the repudiation of public debts and the nationalisation of private property, though they were prepared for certain concessions in order to secure their immediate aims. The British Government and the bankers, on the other hand, upheld the sanctity of property and the validity of debts. When on August 5th the Foreign Office announced the breakdown of the negotiations, a group of Labour Members' of Parliament secured their resumption, and on August 6th Arthur Ponsonby, the Under-Secretary who had been in charge